Effect of Entrepreneurial Orientation on the Growth of women Micro and Small Enterprises in Trans Nzoia County, Kenya

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Abstract
The MSEs are globally the focus of policy makers due to their ability to distribute incomes in both rural and urban areas for poverty reduction. Entrepreneurial orientation is one of the major determinant of women MSE business startup, growth and graduation in to medium and large scale enterprises. The objective of the study was to determine the effect of Entrepreneurial Orientation on the growth of women owned Micro and Small Enterprises in Trans Nzoia County, Kenya. Questionnaires, interview schedules and observation methods were used to collect data from 170 sampled women group MSE owner managers under Women Enterprise Fund subsidized entrepreneurial credit scheme in Trans-Nzoia County who were licensed by the county revenue department and have been in business between 2009 and 2015. Growth was measured in terms of change in sales revenue, profit and number of employees before and after Women Enterprise Fund intervention measures. The data was summarized and analyzed using descriptive and inferential statistics of frequency distribution, mean, percentages, correlation and multiple linear regression. The study found out that Entrepreneurial orientation had statistically significant relationship with growth of women MSEs at 0.05 level of significance. It was recommended that the Government in conjunction with County Governments should nurture an entrepreneurial culture through continuous technology upgrading courses in National polytechnics in addition to experiential learning through exchange visits and attendance of national and international trade fairs. The government should provide modern business infrastructure to women Micro and MSEs in order to spur their meaningful and faster growth. To attain production and marketing economies of scale, clustering of women MSEs with subsequent subcontracting arrangements with medium and large enterprises was also recommended.

Keywords: Entrepreneurial Orientation; Growth of Women Owned; Micro and Small Enterprises; Trans Nzoia; Kenya.

Micro and Small Enterprises play a significant role in creating employment opportunities to a large proportion of Kenyans more than any other sector. Republic of Kenya [RoK] Economic Survey (2016) posits that 720,000 new jobs were created in the informal MSE sector as compared to 120,000 in the modern formal sector. This compares with 700,000 new jobs created in 2014 by informal Micro and Small Enterprise sector and 100,000 in the formal sector(RoK2015).

The MSEs act as incubators for medium and large scale industries which are critical for industrialization (Republic of Kenya [RoK], 2005). The MSEs also contribute significantly to a country’s GDP, for example, between 1999 and 2015, the contribution of MSEs to Kenya’s GDP increased from 18.4% to 33.8%, where as total employment created by MSEs increased from 3.7 Million in 1999 to 12.6 million in 2015 (RoK, 2016).

Therefore, focus on MSEs sector should be increased because it has the ability to enhance national growth, create jobs and reduce poverty, which affect 41% of the country’s population (RoK, 2016, MSMEs Survey,2016). The enterprises
are a source of technological change and are therefore pace setters in innovation and maintenance of socio-economic stability. The MSEs have also become the focus of policy makers due to their ability to distribute incomes in both rural and urban areas, and within gender (RoK, 1999). In 2015, the population of people engaged in MSE sector in rural areas was 64.5% compared to 35.5% in urban areas. (RoK, 2016)

International Labour Organization [ILO] (2012) posits that women’s entrepreneurship is best promoted through comprehensive policy frameworks that protect, foster and regulate business start-up and development. In ILO’s opinion, a policy to improve women’s access to markets, control over financial resources and strengthening social protection that enhance social inclusion is of paramount importance. Such a policy framework is bound to reduce the risks and vulnerabilities faced by women entrepreneurs through creation of a more supportive enterprising culture and favourable business environment.

Namusonge (2006) averred that women perform less well on quantitative measures such as job creation, sales turnover and profitability since women do not enter business for financial gain but to pursue intrinsic goals (for example, independence and the flexibility to run business and domestic lives). RoK(2005) posits that differences in initial capital and goals explain the poor performance of women in businesses. Republic of Kenya Micro and Medium Establishment [MSME] Survey (2016) posits that majority of male owned establishments were licensed while female owned establishments were unlicensed. In particular, 47.7% of licensed MSMEs and 31.7% of unlicensed MSMEs were male owned compared to 32.1% of licensed establishments and 61.0% of unlicensed establishments which were female owned. This therefore raises a gender question as to why women are concentrated in unlicensed businesses that are mostly micro and informal in nature compared to men (RoK MSME Survey, 2016). Nteere (2012) averred that the high mortality rate in the first three years of operation of Micro and Small Enterprises has made it difficult for their graduation in to medium and large scale enterprises, thus the “missing middle”. This has resulted in a weak base for industrial take off and sustainable development. Wiklund (1999) posits that although much of the published research support a positive relationship between Entrepreneurial Orientation and firm performance, additional empirical evidence is needed before wholesale adoption of Entrepreneurial Orientation effect.

Murphy (2010) averred that entrepreneurial firms herald unique considerations about the emergence and existence of opportunities to create new products and services. Bwisa and Ngingirigacha (2013) posit that the utter novelty of entrepreneurial venture offerings affords performance in competitive markets which makes the identification of new opportunities essential. Therefore, the strife for Micro and Small Enterprises, especially those managed by women, is to be more entrepreneurial in order to herald greater growth potential.

**Statement of the Problem**

ILO (2007) posits that the contribution of Micro and Small Enterprises in economic development, income generation and poverty alleviation has global recognition. Lukes and Laguna (2010) averred that MSEs create new jobs with significant impact on free market and economic development. Republic of Kenya (2016) posit that the sector contributed over 85 percent of new jobs created in Kenya in the year 2015 and 33.8% of Gross Domestic Product (RoK MSME Survey, 2016). Republic of Kenya (2012a and 2005) posits that over 60% of MSEs fail before their third anniversary. Nteere (2012) averred that MSEs have high mortality rates with most of them not surviving beyond their third year despite provision of interventions by Governments and NGOs. Growth is regarded as the second most important goal of a firm, the most important one being firm survival. Aversion to growth is the principal reason why most MSEs stagnate and decline (Umar, 2008; Wanjohi & Mugure, 2008; Okpara & Wynn, 2007; Anyadike-Danes et al, 2009). Nteere (2012) averred that the high mortality rate in the first three years of operation of Micro and Small Enterprises has made it difficult for their graduation in to medium and large scale enterprises, thus the “missing middle” with the resultant weak base for industrial take off and sustainable development. A number of researchers (eg Fairoz et al 2010, Ylitalo2010, Delmar & Wiklund 2008, Jao& Susana 2007, Wiklund & Shepherd [2003, 2005], Lumpkin & Dess [1996, 2001]) found a significant positive relationship between EO and firm growth. Therefore, a firm with high Entrepreneurial Orientation shows a higher growth rate than that with low entrepreneurial orientation. However, Frank et al (2010) found a statistically insignificant negative relationship between entrepreneurial orientation and firm performance. The Study therefore sought to find out the effect of Entrepreneurial Orientation on the growth of women owned Micro and Small Enterprises.

Mwaura, Gathenya & Kihoro (2015) carried out a study about Dynamics of Entrepreneurial Orientation on the Performance of women owned Enterprises in Kenya and concluded that entrepreneurial orientation has a significant relationship with growth of women owned enterprises. Mwangi and Ngugi (2014) did a study on Influence of Entrepreneurial Orientation on the growth of MSEs in Kerugoya, Kenya. They found out that the individual dimensions of Entrepreneurial Orientation – innovation, risk taking, pro-activeness and entrepreneurial management competence have significant influence on growth of MSEs. A doctoral study by Otieno (2012) on the Influence of Entrepreneurial Orientation and Strategy on Performance of Kenya’s Manufacturing firms operating under East African regional integration concluded that Entrepreneurial Orientation and Strategy have a positive effect on performance of firms.
1.3. Research Objective

To determine the effect of Entrepreneurial Orientation on the growth of women managed Micro and Small Enterprises in Trans Nzoia county, Kenya.

1.4. Research Question

Does Entrepreneurial Orientation affect the growth of women owned Micro and Small Enterprises.

1.5. Research Hypotheses

(Ho): Entrepreneurial Orientation has no significant effect on the growth of women owned Micro and Small Enterprises.

(H1): Entrepreneurial Orientation has significant effect on the growth of women owned Micro and Small Enterprises.

1.6. Justification of the Study

Many studies on Micro and Small Enterprise sector have mostly focused on heterogeneous enterprises, without specific attention to women entrepreneurs in particular. They therefore did not consider critically, gender specific problems faced by women entrepreneurs in the Micro and Small Enterprise sector. A competitive and innovative MSE sector holds enormous promise for developing countries like Kenya in terms of higher income growth, optimal employment for domestic resources, more gainful integration through regional trade and investment and greater equity in access, distribution and development (RoK, MSME Survey, 2016). The study is justified in that the information availed would assist the Kenya Government and other stakeholders in policy formulation in the development of appropriate interventions to stimulate the growth of women owned enterprises and the MSEs sector in general. This will enable MSEs to graduate into medium and large scale enterprises to fill the “Missing Middle” in order to facilitate growth of Kenya into a Newly Industrializing country status capable of providing high standards of life to its citizenry (RoK, 2012a). Finally, scholars will find this study a useful base for further research work in the dynamic Micro and Small Enterprise Sector.

1.7. Significance of the Study

Developing a woman has a great impact on development of the whole society due to the fact that women are more concerned with improving the welfare of their families compared to men. Sustainable Development Goal no 5 on gender equality aims at achieving gender equality and empowering all women and girls (SDGs, 2015). Therefore for any Country to eradicate poverty, there is need for all inclusive economic development that encompasses promotion of entrepreneurial capability of women owned Micro and Small Enterprises. Growth and survival of Micro and Small Enterprises depend on their ability to compete globally through nurturance of an entrepreneurial culture based on effective use of entrepreneurial finance, proactiveness, risk taking, innovation in products, processes services and markets (Druker, 1985, Lumpkin and Dess, 2001).

1.8. Scope of the Study

The study was carried out in Trans-Nzoia County on women entrepreneurs engaged in Micro and Small Enterprises who had received government interventions from Women Enterprise Fund of entrepreneurial credit and training support between 2009 and 2014 and were still in business in Trans Nzoia county. Entrepreneurial Orientation is very important in facilitating competitiveness of MSEs in both local and global arena for increased income generation, employment creation and poverty reduction.

1.9. Limitations of the Study

The study was limited to women owner managers who had received direct Government interventions of entrepreneurial training and credit from Women Enterprise Fund between 2009 and 2014 and were still in business in Trans Nzoia County, with current business permits from county revenue department. The study was limited to the stratified sample size per county in accordance with the business sector and loan amount. The study was also limited to the credit cycle that was at least one year before the study period thus the period between 1st January to 30th December 2014. Most of the respondents were not willing to divulge sensitive information relating to profit, sales and number of employees. This limitation was surmounted through use of triangulation method where three instruments of data collection were employed for data collection (questionnaire, interview schedule and observation). The respondents were also reassured that the availed information was for research purpose only and would not be divulged to any third party. Some respondents were not available in their respective sub-county business areas despite repeated visits. This limitation was surmounted through use of 10 additional questionnaires to cater for the missing respondents in the sub-counties. Therefore, 180 questionnaires were used. Some respondents in remote parts of Endebess, Saboti and Kwanza Sub counties refused to engage the researcher despite production of an introductory letter from Jomo Kenyatta University of Agriculture and Technology This limitation was surmounted through reassurance from the respective Sub county Women Enterprise Fund Managers.
Theoretical Framework

Schumpeter’s Innovation Theory

Joseph Schumpeter (1934, 1942) pioneered in highlighting the role of innovation in entrepreneurial process. Schumpeter (1942) describes the process of creative destruction where wealth creation occurs through disruption of existing market structures due to introduction of new goods or services that cause resources to move away from existing firms to new ones thereby facilitating growth of the new firms. Schumpeter refers to innovation as the specific instrument of entrepreneurship, the means by which entrepreneurs exploit change as an opportunity for a different business or service. Schumpeter (1942) stressed the role of entrepreneurs as primary agents effecting creative destruction and emphasized the entrepreneur’s need to search purposely for the sources of innovation, the changes and their symptoms that indicate opportunities for successful innovation as well as their need to know and apply the principles of successful innovation. Schumpeter (1934) defined innovation as the introduction of a new good or a new method of production, the opening of a new market, the conquest of a new form of supply of raw material or half manufactured goods, or the carrying out of a new organization of any industry like the creation of a monopoly or the breaking up of a monopoly position.

Schumpeterian innovation theory (1934) expounds that technological progress emanates from innovations carried out by firms with profit motivation. Each innovation therefore, is geared at producing some new products or process which gives its creator a competitive advantage over its business rivals. This is done by rendering obsolete some previous innovation which in turn is also rendered obsolete by future innovations.

The Schumpeterian preposition has been carried forward by successive researchers and scholars, (Drucker 1985, Lumpkin and Dess 1996, Wang 2008, McKeeown 2008 & Murphy 2010). Drucker (1985) averred that innovation is a specific instrument of entrepreneurship, the means by which companies seek to gain competitive advantage in the market place and to increase their capacity to generate wealth. Consequently innovative entrepreneurs view change as a source of opportunity in the market place, continually search it, respond to it and exploit it as an opportunity through differences in product, process or service in business endeavour. Lumpkin & Dess (1996) averred that the entrepreneur is the initiator of creative destruction process that makes innovation an important success factor within Entrepreneurial Orientation.

Wang (2008) refers to Entrepreneurial Orientation strategy as a sub-contract of market leadership, quality leadership, products specialization, cost leadership and manufacturing leadership. Murphy (2010) avers that entrepreneurial firms herald unique considerations about the emergence and existence of opportunities to create new products and services. McKeeown (2008) posits that innovation entails both radical and incremental changes in thinking, in things, in processes or in services which increases producer or customer value.

Alvearetz and Busenitz (2007) posit that the entrepreneurial talents of entrepreneurs include skills, motivations, experience and psychological factors. Kirzner (1997) terms entrepreneurial pro-activeness as “flashes of superior insight” whereas Osaze (2003) posits that a proactive company focuses on the past, the present and the future with equal zeal, using history to explain and fully comprehend the present with a view to challenge and create its own proactive future.

Empirical Review

Lumpkin (1996) posits that Entrepreneurial Orientation refers to the practices that entrepreneurs make to identify and launch competitive ventures. It represents a frame of mind and perspective about entrepreneurship that is reflected in a firm’s ongoing processes and corporate culture. Wiklund and Shephard (2005) aver that an entrepreneurial firm is one which has inbuilt entrepreneurial Orientation in its operations. Frank, Kezzler and Fink (2010) define Entrepreneurial Orientation as a firm’s strategic orientation which captures the specific entrepreneurial aspect of decision making styles, methods and practices with innovativeness, risk taking and pro-activeness as the principal components. Their analysis indicate a positive connection between EO and business performance only in cases in which a dynamic environment is combined with high access to financial capital and when a stable environment is combined with low access to financial capital. On the other hand, Fran K, Kezzler and Fink (2010) aver that EO may have a negative effect in certain configurations.

Drucker (1985) avers that innovation is a specific instrument of entrepreneurship, the means by which companies seek to gain competitive advantage in the market place and to increase their capacity to generate wealth. Innovative entrepreneurs view change as a source of opportunity in the market place continually search for change, respond to it and exploit it as an opportunity through differences in product, process or service. Lumpkin and Dess (2005) posit that organizations and their executives face three types of risk: business risk, financial risk and personal risk. Business risk refers to the risk of entering untested markets or committing to unproven technologies whereas financial risk refers to heavy borrowing or committing a significant amount of resources for growth. Entrepreneurial Orientation facilitates firms to engage in risky activities such as high leveraging and large resource commitment with the desire of gaining high returns through pursuing opportunities in the market. Personal risk refers to a person in business leadership position, normally an executive who decides to favour a certain strategic course of action. The risk arises from the influence of the
executive on the direction of the company which leads to personal consequences in case of failure. Lumpkin and Dess (2005) further posit that all business endeavour entail some degree of risk. However, in the context of EO, risk taking is moderated and calculated as opposed to business gambling. Therefore, although the consequences of an act cannot be known, risk taking does not refer to extreme and completely uncontrolled risky endeavours (Lumpkin & Dess, 2005).

Wilkund and Shephard (2003) posit that EO is a strategy making process that provide organizations with a basis for entrepreneurial decisions and actions. Wang (2008) refers to entrepreneurial orientation strategy as a sub-contract of market leadership, quality leadership, products specialization, cost leadership and manufacturing leadership. The theory of high need of achievement (McClelland, 1965) is critical to a firm’s strategy to attain market leadership by employing innovative market techniques. Wilkund (1999) posits that although there is a positive relationship between Entrepreneurial Orientation and firm performance, additional empirical evidence is needed before researchers or practitioners can encourage wholesale adoption of Entrepreneurial Orientation effect.

Entrepreneurial Orientation is viewed as a characteristic of organizations that can be measured by examining a firm’s behavior as it engages in the entrepreneurial process (Covin & Slevin, 1986). Lumpkin and Dess (2001) averred that the concept of Entrepreneurial Orientation consists of five dimensions: innovativeness, risk taking, pro-activeness, autonomy and competitive aggressiveness. Autonomy is defined as an independent action by an individual or a team aimed at bringing forth a business concept or a vision and carrying it through to completion. Innovativeness refers to the willingness to support creativity and experimentation. Risk taking means a tendency to take bold actions, such as venturing into unknown new markets. Pro-activeness is an opportunity-seeking and forward-looking perspective. The fifth dimension, competitive aggressiveness, reflects the intensity of a firm’s efforts to outperform the industry rivals to generate revenue without considering the net effect to household incomes and employment (Lumpkin & Dess, 2001). High performing, entrepreneurial-oriented firms are successful in exploiting business opportunities. Before opportunities can be exploited, they must be recognized. Shane (2000) posits that people recognize the opportunities related to the information and knowledge they already possess. He also noticed that entrepreneurs discover opportunities through recognition rather than through search. Glance, et all (1998) introduced a model of entrepreneurial dynamics, revised from that suggested by Crag and King (1988). The personal attributes of the entrepreneur determine the motivation and objectives, which in turn determine the firm’s performance. The process is mediated through the markets in which the entrepreneur operates and the managerial practices which he or she employs. The dynamic element is incorporated by the possibility that the business success may reinforce or revise the entrepreneurs’ motivation and objectives.

Terziosvski (2008) averred that an innovative organization culture facilitate a business to enter in to profitable avenues and opportunities in an effective manner which impacts positively on the firm’s performance

A number of researchers (e.g. Fairoz, et al 2010, Ylitao2010, Delmer & Wilkund 2008, Jao & Susana 2007, Wiklund & Shephard [2003, 2005],Lumpkin & Dess [1996, 2001], Covin & Slevin 1991) found a significant positive relationship between EO and firm growth. Therefore, a firm with high entrepreneurial orientation shows a higher growth rate than that with low entrepreneurial orientation. However, Frank et all (2010) found a statistically insignificant negative relationship between entrepreneurial orientation and firm performance. Fayolle and Tederove (2011) drew a conclusion that the degree of impact of EO on firm performance depends on a number of internal and external factors. Whereas internal factors include techniques, strategies and processes, external factors include state of the economy, growth and trends in the industry, government rules and regulations.

Ireland, Hitt & Sirmon (2003) posit that although a firms entrepreneurial process might help the chase for new entry opportunities that enhance its performance, the adoption of a strong Entrepreneurial Orientation is considered necessary but insufficient for wealth and new venture creation. Chandy and Narasimhan (2011) averred that nearly all firms including start-ups, global partners, alliances and major corporations are determined to make full use of opportunities in product market by means of visionary, innovative and proactive behaviour.

Mwaura, Gathenya & Kihoro (2015) carried out a study about dynamics of Entrepreneurial Orientation on the performance of women owned enterprises in Kenya and concluded that entrepreneurial orientation has a significant relationship with women owned enterprises. Mwangi and Ngugi (2014) did a study on Influence of Entrepreneurial Orientation on the growth of MSEs in Kerugoya, Kenya. They found out that the individual dimensions of Entrepreneurial Orientation - performance of firms, innovation, risk taking, pro-activeness and entrepreneurial management competence have significant influence on growth of MSEs. A doctoral study by Otieno (2012) on the influence of entrepreneurial orientation and strategy on performance of Kenya’s manufacturing firms operating under East African regional integration and concluded that entrepreneurial orientation and strategy have a positive effect on performance of Kenya’s manufacturing firms operating under East African regional integration and concluded that entrepreneurial orientation and strategy have a positive effect on performance of firms.

Although Lumpkin and Dess (1996) recommended two dimensions of EO - competitive aggressiveness and autonomy in addition to innovativeness, risk taking and pro activeness as propounded by Miller (1983), this research study used only three dimensions of innovativeness, risk taking and pro activeness to measure EO effect on women MSE performance.
This is as a consequence of Faoroz \textit{et al} (2010) preposition that pro-activeness competently describes entrepreneurial orientation posture of a firm than competitive aggressiveness. Furthermore, some measurement statements of competitive aggressiveness are compatible with pro-activeness dimension. Autonomy cannot be defined precisely in the context of group owned women MSEs and is therefore, difficult to measure as it pertains to Entrepreneurial Orientation effect.

The effect of the dimensions of EO on MSE growth can be treated as a single construct comprising the three dimensions of innovativeness, risk taking and pro activeness or separately on the assumption that they vary independently. However, most researchers for example, Wiklund & Shepherd (2003, 2005) treated EO as a single construct due to the fact that the dimensions of EO usually show high correlation and consequently high multicollinearity (Rauch, \textit{et al}, 2006). Therefore, treatment of the dimensions of EO as a single construct is the dominant approach in examining EO effect on MSEs. The researcher applied this uni-dimensional measure, - the summed up mean of five statements on a likert scale of 1-5 possible choices that represent innovativeness, risk taking and pro activeness to measure the effect of EO on growth of women owned MSEs in Trans Nzoia county. The first statement refer to risk taking whereas the second and fourth refer to innovativeness. The third statement refers to pro activeness. The fifth statement on the likert scale of 1-5 options refer collectively to innovativeness, risk taking and pro activeness that measure Entrepreneurial Orientation effect on the growth of women MSEs as shown on table 4.1.

\textbf{Research Gap}

International Labour Organization[ILO] (2012) posits that women’s entrepreneurship is best promoted through comprehensive policy frameworks that protect, foster and regulate business start-up and development. In ILO’s opinion, a policy to improve women’s access to markets, control over financial resources and strengthening social protection that enhance social inclusion is of paramount importance. Such a policy framework is bound to reduce the risks and vulnerabilities faced by women entrepreneurs through creation of a more supportive enterprising culture and favourable business environment. Sustainable Development Goal 5 (SDGs, 2015) posit that achieving gender equality and empowering all women and girls is a basic human rights issue with a multiplier effect across all other development areas. Therefore, for any country to be in the right track of development, more emphasis has to be put on Women in Development crusade which includes promotion of their business ventures. For women owned MSEs to survive and compete in the global arena, they need to nurture an entrepreneurial culture through adoption of Entrepreneurial Orientation. Empirical literature revealed that women MSEs perform less than Men in quantitative measures of sales revenue, profit and number of employees (Namusonge, 2006; McCormic, 2001). A closer scrutiny of MSE research in Kenya reveals that most of those pertaining to Entrepreneurial Orientation have dealt with MSEs in general without specific reference to women owned MSEs. Furthermore, no study of such magnitude on Entrepreneurial Orientation has been carried out in Trans Nzoia County. The study therefore sought to fill this gap in knowledge with a view of promoting faster growth and graduation of women owned MSEs in to medium and large enterprises for higher income, employment generation and poverty reduction in accordance with goal 5 of Sustainable Development Goals(SDGs, 2015)

\textbf{2.2. Conceptual Framework}

Cooper and Schindler (2012) averred that a concept is a generally accepted collection of meanings or characteristics associated with certain events, objects, conditions, situations and behaviour. Miles and Hubberman (1994) posit that conceptual framework explains either graphically or in narrative form, the main things for the study, key factors, constructs or variables and the presumed relationship among them. Therefore, conceptual framework shows the direction of the study by pointing out the dependent and independent variables. The study was guided by Entrepreneurial Orientation independent variable and growth of women Micro and Small Enterprises as the dependent variable. The effect of entrepreneurial orientation on the growth of women MSEs was measured by five likert scale statements composed of 1 to 5 options. The optimal one independent variable regression model with growth in terms of change in sales revenue, profit and number of employees of this study is as shown in figure 2.2 below.
Research Design

Research design constitutes the blueprint for the collection, measurement, and analysis of data. In a nutshell, research design is the plan and structure of the investigation conceived in order to obtain answers to research questions. According to Cooper and Schindler (2008), research design expresses both the structure of the research problem, the framework, organization, or configuration of the relationship among variables of a study and the plan of investigation used to obtain empirical evidence on those relationships.

This research study utilized mixed research design where both qualitative and quantitative approaches were used with the aim of determining the relationship between the effect of Government intervention on the growth of entrepreneurial women Micro and Small Enterprises. Teddie and Tashakkori (2003) posit that mixed research design is preferred to using either qualitative or quantitative method alone since this may result to a tendency to overlook complexities that may only be revealed when a combination of the two methodologies is employed. The growth of Women MSEs was determined before and after Government interventions. The measure of growth before Government Interventions were obtained from forms which the entrepreneurs filled before accessing Government Interventions at the County Women Enterprise Fund office and the collaborating financial institutions. The study was conducted between 1st January and 28th February 2016. It began with a survey of the study area to determine the number of financial institutions which served as intermediaries to Women Enterprise Fund in provision of interventions to women Micro and Small Enterprises. Permission was sought from the County Women Enterprise Fund and County Gender and Social Development offices to carry out the research within the specified days. Women beneficiaries of Government interventions in Trans Nzoia County of business experience, government policy and regulations, credit, entrepreneurial training, entrepreneurial orientation from the Women Enterprise Fund within a timeframe of five years (2009–2014) were identified. Entrepreneurial training and access to credit were the direct interventions of this study while government policy and entrepreneurial orientation were indirect. Business experience is an independent variable that records the number of years in business for women MSE owner managers.

3.3. Target Population

The research study was carried out in Trans Nzoia County composed of five sub counties: Kiminini, Cherangani, Saboti, Kwanza and Endebess. The target population was based on 700 Women MSE respondents who received Women Enterprise Fund interventions of subsidized entrepreneurial credit and training and were still in business in Trans Nzoia County. This constituted primary respondents. The secondary stakeholders was composed of County Women Enterprise Fund Manager and County Gender and Social Development Officer.

3.4. Sample Size and Sampling Techniques

In order to decrease possibility of sampling error, establish statistical differences and get a true picture of patterns of variability of specific variables to be tested in an heterogeneous study group, it was necessary to have a fairly large sample: A large sample is useful for its potential in examining specific relationship and since the purpose of any research...
is to learn about a population, the larger the sample, the more it is likely to be representative of the population (Mugenda & Mugenda 2003). Between 1st January 2009 and 31st December 2014, 700 women groups accessed Government interventions of entrepreneurial credit and training Trans Nzoia County Women Enterprise Fund Office. For this study, the sample size was determined between 1st January 2009 and 31st December 2014 using coefficient of variation formula as developed by Nassiuma (2000) as follows:

\[
\begin{align*}
    n &= \frac{NC^2}{[C^2+(N-1)e^2]} \\
    e &= \text{Tolerance level} \\
    C &= \text{Coefficient of variation}
\end{align*}
\]

The coefficient of variation is a more stable measure of variation compared to other measures of variation. A coefficient of variation of less than 30% is usually appropriate. The coefficient of variation that was used in this survey was 15% of the group population of 700 women group MSE entrepreneurs who received interventions from Women Enterprise Fund office in Trans Nzoia County, with a tolerance level of 1%. Substituting the formula with \( N = 700, C = 15\% \) and \( e = 1\% \) gave a sample size of 170 women group respondents. The sample selection was based on Nassiuma’s formula because it gave a bigger sample. Stratified random sampling technique based on the intervention provision by Women Enterprise Fund in five constituencies/sub counties that constitute Trans Nzoia County was used.

3.5. Data Collection Methods

3.5.1. Primary Data

Primary Data were obtained from the field using a combination of data collection techniques and methodologies that included the following: Questionnaires, interview schedule and observation. Focus on group discussions with group leaders of women groups, key informants such as the County Gender and Social Development Officer and County Women Enterprise Fund Manager were used to enhance the quality of data. The services of one research assistant were used throughout the study.

3.5.2. Secondary Data

Secondary data was obtained from filled forms for successful Women Enterprise Fund intervention applicants, previous research studies, policy documents, documentary review of both published and un-published statistics and from the internet.

<table>
<thead>
<tr>
<th>Sub County</th>
<th>Total Population</th>
<th>Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kiminini</td>
<td>206</td>
<td>50</td>
</tr>
<tr>
<td>Saboti</td>
<td>107</td>
<td>26</td>
</tr>
<tr>
<td>Cherangani</td>
<td>247</td>
<td>60</td>
</tr>
<tr>
<td>Kwanza</td>
<td>66</td>
<td>16</td>
</tr>
<tr>
<td>Endebess</td>
<td>74</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>700</strong></td>
<td><strong>170</strong></td>
</tr>
</tbody>
</table>

Source: Researchers survey Data

3.6. Pilot Study

Pilot testing of the research instruments was done during a pilot study between 22nd and 23rd December 2015 on 17 women group Micro and Small Enterprises in Trans Nzoia County selected from Tuwan, Hospital and Matisi Electoral Wards in Kitale Municipality. One institutional respondent-Trans Nzoia County Women Enterprise Fund Manager was also included in the pilot study to enhance the quality of data. Normally 1-10% of sample size is used for pilot testing of the data collection instruments (Mugenda and Mugenda 2003). The researcher ascertained that the framed questionnaires are without ambiguity which ensured that results obtained in the pilot study was replicated in a consistent manner throughout the period of data collection.
3.6.1 Reliability

The reliability statistics which were used in this study is Cronbach's alpha (Cronbach, 1951). Cronbach's alpha determines the internal consistency or average correlation of items in a survey instrument to gauge its reliability. Cronbach’s alpha is an index of reliability accounted for the true score of the underlying construct- the hypothetical variable that is being measured (Hatcher, 1994). Alpha coefficient range in value from 0 to 1 and are used to describe the reliability of factors extracted from dichotomous and/or multi-formatted questionnaires or scales. The higher the scale, the more reliable it is regarded. According to Nunnay (1978), when dealing with psychological, social science and behavioral constructs, 0.7 is the minimum acceptable reliability coefficient due to the diversity of the constructs, being measured. Therefore, reliability of the questionnaire in this study was ascertained by Cronbach Alpha statistics using the data from 17 pilot study filled women group questionnaires in December 2015 who had received Women Enterprise Fund interventions of entrepreneurial credit and training. The mean Cronbach Alpha reliability value for Entrepreneurial Orientation variable based on the five statements on a likert scale of 1-5 was 0.846, which is above the minimum acceptable reliability coefficient measure of 0.7 suggesting high reliability of the instrument.

3.6.2 Validity

Validity as it pertains to this study was done by use of triangulation and pilot testing of the instruments. Triangulation involved use of the three instruments of data collection, namely questionnaire, interview schedule and observation. The researcher ensured that the three instruments of data collection came up with similar information for validity.

3.7. Data Collection Procedures

Data collection for this study was done in two stages. In the first stage, County Women Enterprise Fund Manager, County Gender and Social Development Officer and County had their data on women MSE clients collected through interview schedule. The second phase of data collection involved administration of questionnaires, interview schedules coupled with observation to 170 women group MSE entrepreneurs in each of the five sub counties of Kiminini, Kwanza, Saboti, Endebess and Cherangani in Trans Nzoia County between 1st January and 28th February2016.

3.8. Data Analysis and Presentation

Data analysis was guided by the objectives of the study, research questions and hypothesis. Descriptive factor analysis for variables was carried out to ensure the items helped to measure intended constructs. Descriptive statistics such as percentages, frequency distribution mean and standard deviation were used in analysis of data. Inferential statistics composed of Analysis of Variance(ANOVA), correlation and simple linear regression analyses were employed in determining the statistical significance of the relationships between Entrepreneurial Orientation and growth of women owned MSEs . The results were presented in tables and figures. The linear regression model used in determining relationship between independent and dependent variable was of the form:

\[ Y = \beta_0 + \beta_1 X_1 \]

Where: \( Y \) is the dependent variable growth,
\( \beta_0 \) is the intercept which represents growth that is insensitive to independent variable
\( \beta_1 \) is change in growth due to unit change in entrepreneurial orientation
\( X_1 \). The independent variable (entrepreneurial orientation).

The test statistic was used for inference at 0.05 level of significance.

\( H_0 = \) The regression coefficient \( (\beta_1) \) is equal to zero
\( H_1 = \) The regression coefficient \( (\beta_1) \) is not equal to zero. The test statistic was used to guide inferences at 0.05 level of significance.

4. Research Findings and Discussion

4.1. Response Rate

The researcher required a minimum sample of 170 women Micro and Small Entrepreneurs distributed in all the five sub-counties/constituencies of Trans-Nzoia County. This represents 100% of the respondents required for the study. A higher number of 180(170x106%) respondents was targeted to cover for incomplete questionnaires and absent, uncooperative or hostile respondents to attain 100 % of the targeted response rate. Out of 180 questionnaires administered, 174 women owned MSE entrepreneurs responded while 6 did not respond or were not located. The extra four questionnaires were discarded, leaving 170 which represents 100% response rate. Saunders and Thornhill(2009) posit that a response rate above 70%, is a reasonable representative sample for the population and a good sample size for studies of this nature.
Entrepreneurial Orientation Consolidated Means and Standard Deviations- Descriptive Results

The likert scale means and standard deviations rating responses of the five questions from the 170 women MSE owner manager as it pertains to Entrepreneurial Orientation independent variable were consolidated on table 4.1 below. The five statements collectively represent innovativeness, risk taking and pro activeness as the three dimensions of Entrepreneurial Orientation. Likert scale question 1 on enterprise risk taking propensity had a mean of 3.23 and standard deviation of 0.760 whereas Question 2 on innovativeness had a mean response of 3.36 and a standard deviation of 0.770. Question 3 on pro-activeness based on market research for performance of products and services had an overall mean of 3.40 and standard deviation of 0.974. Question 4 on market innovation had a mean of 3.19 with a standard deviation of 0.836. The mean for question 5 which collectively measures women MSE innovativeness, risk taking and pro-activeness was 3.44 with a standard deviation of 0.965. The overall mean for innovativeness, risk taking and pro-activeness components of Entrepreneurial Orientation based on the five likert scale statements was 3.2877 with a standard deviation of 0.4963. Therefore, the overall mean of the Entrepreneurial Orientation variable ranged from 2.7914 to 3.784 on a likert scale of 1 to 5 which indicates average to above average rating of the Entrepreneurial Orientation variable on the likert scale of 1 to 5.

<table>
<thead>
<tr>
<th>Likert Scale Question</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>SD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk taking propensity</td>
<td>170</td>
<td>2</td>
<td>5</td>
<td>3.23</td>
<td>0.760</td>
</tr>
<tr>
<td>Importance attached to new products/services(innovativeness) Market research for</td>
<td>170</td>
<td>2</td>
<td>5</td>
<td>3.36</td>
<td>0.770</td>
</tr>
<tr>
<td>performance of products/services- pro activeness</td>
<td>170</td>
<td>1</td>
<td>5</td>
<td>3.40</td>
<td>0.974</td>
</tr>
<tr>
<td>Ability to find new market for products/services( innovativeness)</td>
<td>170</td>
<td>2</td>
<td>5</td>
<td>3.19</td>
<td>0.836</td>
</tr>
<tr>
<td>Importance attached to profitability and return on investment( 3 EO components)</td>
<td>170</td>
<td>2</td>
<td>5</td>
<td>3.44</td>
<td>0.965</td>
</tr>
<tr>
<td>Entrepreneurial Orientation overall</td>
<td>170</td>
<td></td>
<td></td>
<td>3.2877</td>
<td>0.49643</td>
</tr>
</tbody>
</table>

4.4 Testing of Hypothesis

(H0): There is no significant relationship between Entrepreneurial Orientation and growth of women managed Micro and Small Enterprises

(H1): There is a significant relationship between Entrepreneurial Orientation and growth of women managed Micro and Small Enterprises

In testing the above hypothesis, correlation analysis of Entrepreneurial Orientation variable with three performance indicators of change in number of employees, sales revenue and profit were used. As seen on table 4.2 below, the correlation analysis of Entrepreneurial orientation with change in sales revenue, profit and number of employees had correlation coefficient r values of 0.402( P = 0.000), Profit 0.266 (P= 0.001) and number of employees 0.242( P= 0.002) respectively. The correlation coefficients(r) in respect to the three performance indicators were all statistically significant at 0.05 level of significance. This was further confirmed by Analysis of Variance with respect to entrepreneurial orientation independent variable and the three growth indicators of change number of employees, sales revenue, and profit which gave values that are statistically significant at 0.05 level of significance: Therefore, the null hypothesis( H0) is rejected in favour of the alternative(H1): There is significant relationship between Entrepreneurial Orientation and growth of women owned Micro and Small Enterprises in terms of change in annual sales revenue, profit and number of employees.

| Table 4.2: Correlation Analysis of Entrepreneurial Orientation and Growth of Women Managed MSES |
|---------------------------------------------------------------|-----------------|-------|---|
| Entrepreneurial Orientation                                 | Correlation Coefficient (r) | P- Value | Decision |
| Sales increase                                               | 0.402           | 0.000 | Reject Ho |
| Profit change                                                | 0.266           | 0.001 | Reject Ho |
| Change in number of employees                                | 0.242           | 0.002 | Reject Ho |

Correlation is significant at 0.05 level of significance (2-tailed).
4.5 Regression Analysis of Entrepreneurial Orientation with Change in Number of Employees

The regression results of Entrepreneurial Orientation with change in number of employees shows that Entrepreneurial Orientation has statistically significant relationship with growth (R² = 10.5%, F = 5.234, P = 0.000) at 0.05 level of significance. Entrepreneurial Orientation had a Beta value of 0.207 (P =0.002) with change in number of employees. The regression model R² value of 10.5% implies that Entrepreneurial Orientation accounted for only 10.5% of the variation in growth in terms of change of number of employees, with 89.5% of the variation being accounted for by other factors not in the model or by chance. Substituting the regression model equation with the constant and standardized coefficient Beta for EO and the error term, the regression model equation relating to growth in terms of change in number of employees is as here below:

\[ Y = \beta_0 + \beta_1 X_1 + \varepsilon \]

Model: \[ Y = 0.045 + 0.207X_1 + 1.30, \quad R^2=10.5\%, \quad P=0.000 \]

Where, \( X_1 \) = Entrepreneurial Orientation(EO) and \( \varepsilon \) is the is the error term.

<table>
<thead>
<tr>
<th>Table 4.3: Summary of Means and Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variables</td>
</tr>
<tr>
<td>Employees Change in No</td>
</tr>
<tr>
<td>Entrepreneurial orientation(EO)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 4.4 Model Regression Summary of Entrepreneurial Orientation with Change in Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 4.5: Analysis of Variance (ANOVA) of Entrepreneurial Orientation and Change in Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>Residual</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 4.6: Standardized Beta Coefficients, T Tests and Significance of Entrepreneurial Orientation and Change in Number of Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coefficients*</td>
</tr>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>Entrepreneurial Orientation(EO)</td>
</tr>
</tbody>
</table>

4.6. Regression of Entrepreneurial Orientation with Annual Sales Revenue

The regression model results on tables 4.8, 4.9 and 4.10 below indicate that Entrepreneurial Orientation had Beta value of 0.320(P=0.01) for change in sales revenue, F value of 6.175(P= 0.000) and R2 = 12.3%. Therefore, Entrepreneurial Orientation has statistically significant relationship with growth of women owned MSEs in terms of change in sales revenue at 0.05 level of significance. Substituting Entrepreneurial Orientation, the constant and the error term yields the regression equation with change in annual sales revenue as here below:

Model: Y = 8481.56 + 0.320X1 + 51,585, R2 = 12.3%, P = 0.000, where X1 is Entrepreneurial Orientation and ε is the error term. The regression model R2 = 12.3% implies that 12.3% of the change in annual sales revenue is accounted for by Entrepreneurial Orientation independent variable with 87.7% of the variation being accounted for by other factors that are not the subject of this study or by chance.

Table 4.7: Summary of Means and Standard Deviation of Sales Revenue and EO

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std Deviation</th>
<th>N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales increase</td>
<td>641747.0588</td>
<td>277499.80674</td>
<td>170</td>
</tr>
<tr>
<td>Entrepreneurial Orientation</td>
<td>3.36</td>
<td>.550</td>
<td>170</td>
</tr>
</tbody>
</table>

Table 4.8: Model Summary Regression of Entrepreneurial Orientation with Change in Annual Sales Revenue

<table>
<thead>
<tr>
<th></th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.351d</td>
<td>0.123</td>
<td>0.110</td>
<td>51.585</td>
</tr>
</tbody>
</table>

d. Predictor: Entrepreneurial Orientation (EO)

Table 4.9: Analysis of Variance of Entrepreneurial Orientation and Change in Annual Sales Revenue

ANOVAa

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>1</td>
<td>900608210208.100</td>
<td>6.175</td>
<td>.000e</td>
</tr>
<tr>
<td></td>
<td>Residual</td>
<td>169</td>
<td>10527807180.034</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>170</td>
<td>2679807623633.974</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Predictor: Entrepreneurial Orientation (EO)

Table 4.10: Standardized Coefficients and T Test Of EO and Change in Annual Sales Revenue

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
<td>Tolerance</td>
</tr>
<tr>
<td>(Constant)</td>
<td>8481.552</td>
<td>850.203</td>
<td>1.972</td>
<td>.03</td>
<td></td>
</tr>
<tr>
<td>(EO)</td>
<td>2127.687</td>
<td>346.522</td>
<td>.320</td>
<td>.01</td>
<td>.913</td>
</tr>
</tbody>
</table>

a Dependent variable: Sales increase
4.7: Regression of Entrepreneurial Orientation with Change in Annual Profit

Regression analysis result yielded a Beta value of 0.232 (P=0.01), F = 3.215 (P = 0.01) and R2= 6.8% as shown on tables 4.11 and 4.12 and 4.13 below. There is a statistically significant relationship between Entrepreneurial Orientation and growth of women owned MSEs in terms of change in profit at 0.05 level of significance. The regression model equation as it pertains to Entrepreneurial Orientation and change in annual profit is of the form : Y = β0 + β1X1 + ε, where Y is the enterprise growth in terms of change of profit, X1 is Entrepreneurial Orientation, and ε is the error term. Substituting β0, β1 and ε, the regression model equation is summarized here below which implies that an increase of EO with one unit occasions growth of women owned MSEs in terms of change in profit by 0.232 units.

Model: \[ Y = 2293.731 + 0.232X_1 + 3.245 \]

<table>
<thead>
<tr>
<th>Table 4.11: Regression Model Summary of Entrepreneurial Orientation and Change Annual Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

^d. Predictors: (Constant), Entrepreneurial Orientation(X1)

<table>
<thead>
<tr>
<th>Table 4.12: Analysis of Variance (ANOVA of Entrepreneurial Orientation and Change in Profit)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>Residual</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 4.13: Standardized Coefficient of Entrepreneurial Orientation and Change in Annual Profit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coefficients^a</td>
</tr>
<tr>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>Unstandardized Coefficients</td>
</tr>
<tr>
<td>-----------------------------</td>
</tr>
<tr>
<td>B</td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>Entrepreneurial orientation(X1)</td>
</tr>
</tbody>
</table>

^a. Dependent Variable: Profit after

4.10 Discussion of Findings

Descriptive results gave mean response rating of each of the five likert scale statements ranging from 0.319 to 0.346. The overall mean for EO variable was 3.288 with standard deviation of 0.4903 on a likert scale of 1-5. This indicates above average mean rating response. Correlation analysis of Entrepreneurial Orientation with three growth indicators of change in number of employees, annual sales revenue and profit gave coefficient of correlation (r) values of 0.242(P=0.002), 0.402(P=0.000), 0.266(P=0.001) respectively which are all statistically significant at 0.05 level of significance. Regression analysis gave Beta values of 0.207(P=0.000) for change in number of employees, 0.320(P=0.01) for change in sales revenue and 0.232(P=0.01) for profit which are statistically significant at 0.05 level of significance.
The statistically significant relationship between Entrepreneurial Orientation and growth of women Micro and Small Enterprises agree with Mwangi and Ngugi (2014) posit that the individual dimensions of Entrepreneurial Orientation- innovation, risk taking, pro-activeness and entrepreneurial management competence have significant influence on growth of MSEs. The results also agree with Otieno (2012) who did a study on the influence of entrepreneurial orientation and strategy on performance of Kenya’s manufacturing firms operating under East African regional integration and concluded that entrepreneurial orientation and strategy have a positive effect on performance of firms.

The statistically significant relationship between entrepreneurial orientation and growth of women MSEs also concur with Mwaura, Gathenya and Kihoro (2015), Wiklund & shepherd (2005) and Lumpkin & Dess(2001) who found significant positive relationship between EO and firm growth.

Conclusion

5.1. Entrepreneurial Orientation and Growth of Women Owned MSEs

The study sought to find out the effect of Entrepreneurial Orientation on the growth of women owned Micro and Small enterprises in terms of change in number of employees, sales revenue and profit. It was found out based on inferential statistics of correlation and regression analyses that Entrepreneurial Orientation has statistically significant relationship with growth of women Micro and Small Enterprises. Therefore, it was concluded that Entrepreneurial Orientation has a statistically significant effect on growth of women Micro and Small Enterprises in terms of change in number of employees, annual sales revenue and profit. The statistically significant relationship between Entrepreneurial Orientation and growth of women Micro and Small Enterprises agree with Mwangi and Ngugi(2014) who concluded that the individual dimensions of Entrepreneurial Orientation- innovation, risk taking, pro-activeness and entrepreneurial management competence have significant influence on growth of MSEs. The statistically significant relationship of Entrepreneurial Orientation with growth of women owned MSEs also agree with Otieno's (2012) conclusion that Entrepreneurial Orientation and strategy have a positive effect on performance of firms.

5.2. Recommendations

Based on the findings of this study that Entrepreneurial Orientation has statistically significant relationship with growth of women owned enterprises, the following recommendations are made.

Continuous Learning and Training

The Kenya Government should facilitate continuous learning and training among MSE owner managers to nurture an entrepreneurial culture in order to increase growth of their enterprises. Along this line, technology upgrading courses for MSE operators in Universities National Polytechnics and Institutes of Technology should be facilitated by the Kenya Government to spur creativity, innovation and new technology adoption. Exchange visits between MSEs and Medium or Large scale enterprises and participation of Kenyan MSE owner managers in National and International exhibitions/trade fairs would facilitate experiential learning among MSE operators for increased growth and graduation in to medium and large enterprises.

Conducive Business Environment, Facilitation of MSE Incubation and Sub Contracting

The Kenya Government should provide a conducive business environment for Micro and Small enterprises to emerge and grow. This involves the reduction of Government bureaucratic regulatory regime of multiple licensing and tax, coordination among MSE promotion agencies in provision of incubation services to midwife MSE growth and graduation in to medium and large enterprises. Along this line, clustering of MSEs and subsequent sub contacting arrangements with medium and large enterprises should be facilitated by the Government to promote production and marketing economies of scale among Kenyan MSEs. The resultant multiplier effect of high income generation and employment creation will catapult Kenya in to a Newly industrializing Country Status in line with Vision 2030.

Full Implementation of Women Owned MSEs Access to 30% Government Tenders Rule

The Kenya government should facilitate women owned MSEs access to 30% government tenders both in the National government and 47 sub nations. The regulation for access to 30% government tenders by women, youth and people with disability is in existence but it has not been fully monitored actualized. Its full implementation will facilitate faster growth, higher employment and wealth creation of women owned MSEs in Kenya for poverty reduction.

5.3. Areas of Further Research

a) Gibb (1988) posits that everyone has some degree of entrepreneurial attributes. The determinant of who becomes an entrepreneur is what triggers the attributes in to action. On the other hand, Drucker (1985) argued that entrepreneurship is a form of behaviour and can be learned or increased through entrepreneurial training. Namusonge(2006) and Rakunga(2003) concur that although Entrepreneurial behaviour is an inherent quality, it can also be acquired or boosted through nurture ( experience, education, entrepreneurial training and learning.).
Some scholars posit that the most important and strategic factor inputs for MSEs are capital and entrepreneurial skills (Gebru, 2009; Kuzilwa, 2005; Kezzy & Urio, 2006). Therefore, provision of entrepreneurial credit alone without combining it with entrepreneurial skills training cannot midwife optimal enterprise performance (King & McGrath, 1999).

In view of the above arguments, it is important to determine if latent forms of entrepreneurship or entrepreneurial orientation that obtain in Micro and Small Enterprises currently can be enhanced through entrepreneurial credit and training intervention programs. This research study sought to determine the effect of Entrepreneurial Orientation on the Growth of women owned Micro and Small Enterprises in Trans Nzoia County, Kenya using a mixed research design between 2009 and 2014. In order to determine clearly and concisely the effect of Entrepreneurial Orientation on the Growth of women owned MSEs, a longitudinal research study about the Effect of Entrepreneurial Orientation on the Growth of women owned Micro and Small Enterprises in Kenya is recommended, using an experimental research design composed of both experimental and control group within a time frame of five years. The Experimental Group will be composed of women owned MSEs that would be on Women Enterprise Fund interventions of entrepreneurial credit and training while the control group would be composed of Women owned MSEs without any form of entrepreneurial credit and training during the time frame of the study.

b) This Study confirms the uni-dimensionality of Entrepreneurial Orientation Variable. The dimensions of EO have a collective effect on women owned MSE growth when they are combined and regressed as one single EO variable. Furthermore, due to the fact that the findings support the idea that the original EO dimensions of innovativeness, risk taking and proactiveness as propounded by Miller (1983) are of equal importance to explain growth of Micro and Small Enterprises, the researcher suggests use of summed index of the three dimensions in future research studies in instead of mean score of individual dimensions.

References


